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Beech-Nut plant developer sued in Connecticut factory scrap dispute

Connecticut dispute has echoes of Beech-Nut imbroglio

By Brian Nearing Updated 12:10 pm, Tuesday, March 1, 2016



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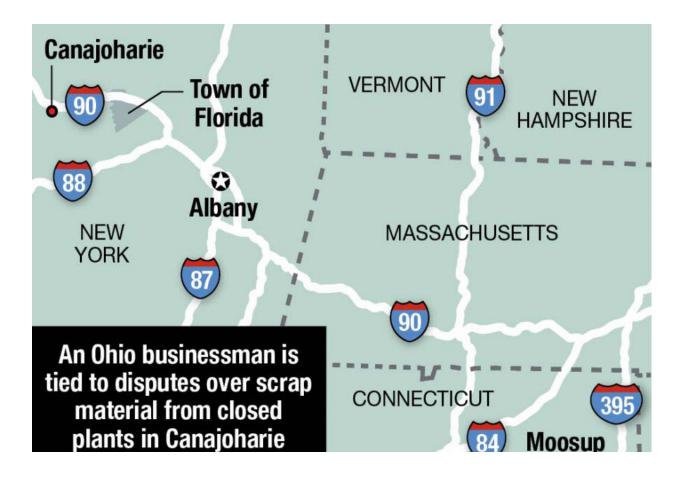
Interior room in the former Beech-Nut plant on Tuesday, Jan. 19, 2016, in Canajoharie, N.Y. (Cindy Schultz / Times Union)

An Ohio businessman linked to the partially demolished and stripped former Beech-Nut plant in Montgomery County is now embroiled in a federal lawsuit over valuable scrap metal from a former aerospace plant that he owns in Connecticut.

Todd Clifford, owner of TD Development LLC, is being sued in U.S. District Court by Wisconsin-based Wood and Bricks LLC in a disagreement over demolition of the sprawling former Kaman Corp. in Moosup, about an hour's ride east of Hartford.

Clifford, who bought the 550,000-square-foot vacant Kaman facility in 2014, hired Wood and Bricks as his demolition contractor in June. In the lawsuit, Wood and Bricks owner Arthur Sullivan claims damages of up to \$1 million, and accuses Clifford of unjustly evicting him from the project in January after Sullivan's crews had collected valuable scrap metal and other materials.

Clifford's company "intends to exert control over the salvage product that (Sullivan's company) has stockpiled on the site ... and sell the salvage on its own," according to a federal complaint filed by Sullivan on Jan. 28.



and Moosup, Conn.



Tyswan Stewart / Times Union

Closed plants in Canajoharie and Moosup, Conn.

Clifford has countered that Sullivan's crews had violated the contract — under which Sullivan paid Clifford \$100,000 up front and another \$262,500 later for the right to take down the buildings, and collect and resell scrap materials. Clifford claims he fired Sullivan after his crews mishandled asbestos-tainted material and damaged part of the site, his court papers said.

"We had piled up a half-million-dollars worth of salvage in the yard before Clifford threw me out. Now that scrap is already being moved off the site," said Sullivan. He denied his workers mishandled asbestos or damaged the site.

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"The plant is now half-destroyed," Moosup Selectman Paul Sweet said. "We don't know where this is going, and I do not have a good feeling about it." Sweet added that "a lot of stuff has already been taken out of that mill ... we are very familiar with what

happened at Beech-Nut."

In Canajoharie, the former Beech-Nut plant, which Clifford purchased in December 2013, remains partially demolished after an ongoing series of disputes between Clifford and his contractors over unpaid bills, as well as issues with Clifford's failure to file proper federally required asbestos removal permits.

Tons of valuable scrap metal from Beech-Nut, which Clifford initially vowed he would redevelop, are long gone, according to Village Mayor Francis Avery. He estimates it will cost millions of dollars to remove asbestos and finish demolition of the massive structure.

Village Code Enforcement Officer Cliff Dorrough said he barred demolition workers from the main plant during 2014, because there were no permits sought for asbestos removal or demolition. Dorrough said he returned a few months later to find tons of valuable scrap metal had been cut out in areas tainted with asbestos.

Last week, Avery said, the village issued arrest warrants for a principal of an Oklahoma-based company, B&B Recycling of Broken Arrow, hired by Clifford to take down a building, for leaving behind worthless piles of rubble around the 20-acre site. The warrants cite state building code violations.

With work at Beech-Nut now at a standstill, Montgomery County officials are taking tentative steps to explore potential foreclosure on the property for more than a half-million dollars in delinquent property taxes.

Kenneth Rose, CEO and director of the Montgomery County Business Development Center, said the county is seeking an environmental study of the property to see how much asbestos remains and how expensive it will be to remove so the site can be cleared for potential redevelopment.

The troubled Beech-Nut demolition has been a major headache for the village, which saw the plant close in 2010, taking good-paying jobs and a big share of the village tax base with it. The state provided tens of millions of dollars in assistance for Beech-Nut to relocate to a new plant in the Montgomery County town of Florida, but no funds were earmarked to deal with the old plant. Beech-Nut later sold it to Clifford for \$200,000.

Clifford has claimed he has no further responsibility for the property due to its December 2014 sale to another Ohio-based company, TD Development Inc. This company is owned by an apparent Clifford business associate, Jeff Wendel.

Garrett Flynn, Clifford's lawyer, confirmed TD Development Inc. is owned by Wendel. He declined comment on the situation in Connecticut.

Avery called Clifford's claim "total baloney." The mayor said when Clifford first came to the village for meetings about his redevelopment plans for Beech-Nut, Wendel accompanied

him. "They were working together. For Clifford to say now that he is no longer involved? We all know better," Avery said.

In April 2015, the U.S. Environmental Protection Agency said that Clifford faced hefty fines for not filing required asbestos removal notices at Beech-Nut. So far, no enforcement action has been publicly forthcoming. EPA regional spokesman Elias Rodriguez had no additional information to provide on Monday.

EPA regional officials in Connecticut referred questions regarding the dispute in Moosup, and potential issues with asbestos, to Connecticut state environmental officials. The state Department of Energy and Environmental Protection could not provide comment in time for deadline.

Last summer, Clifford also acquired a former rubber factory in Derby, Conn., with a promise similar to the one he made at Beech-Nut to rehabilitate and redevelop the property.

In Ohio in 2012, Clifford sought bankruptcy protection, according to records from U.S. Bankruptcy Court for the Southern District of Ohio. He faced about \$1.3 million in claims from creditors, who received payments totaling about \$36,700.

In the bankruptcy records, an Ohio couple claimed they were defrauded by Clifford after hiring him to build a million-dollar home. He was paid \$240,000, substituted inferior materials and walked off the job without finishing the work, according to a bankruptcy court filing by the couple, who said they lost about \$400,000. They also alleged that Clifford filed a falsified mechanics lien against their property for more than \$200,000.

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